



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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Western State Bank, Devils Lake, North Dakota, Assumes All of the Deposits of Central Arizona Bank, Scottsdale, Arizona

FOR IMMEDIATE RELEASE

Central Arizona Bank, Scottsdale, Arizona, was closed today by the Arizona Department of Financial Institutions, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Western State Bank, Devils Lake, North Dakota, to assume all of the deposits of Central Arizona Bank.

The sole former branch of Central Arizona Bank will reopen tomorrow as a branch of Western State Bank during its normal business hours. Depositors of Central Arizona Bank will automatically become depositors of Western State Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage up to applicable limits. Customers of Central Arizona Bank should continue to use their current branch until they receive notice from Western State Bank that systems conversions have been completed to allow full-service banking at all branches of Western State Bank.

This evening depositors of Central Arizona Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of March 31, 2013, Central Arizona Bank had approximately \$31.6 million in total assets and \$30.8 million in total deposits. In addition to assuming all of the deposits of the failed bank, Western State Bank agreed to purchase essentially all of the failed bank's assets.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-40-2013

Customers with questions about today's transaction should call the FDIC toll-free at 1-800-423-6395. The phone number will be operational this evening until 9:00 p.m., Mountain Time (MT), and thereafter from 9:00 a.m. to 6:00 p.m., MT. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/centralaz.html>

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$8.6 million. Compared to other alternatives, Western State Bank's acquisition was the least costly resolution for the FDIC's DIF. Central Arizona Bank is the 13th FDIC-insured institution to fail in the nation this year, and the second in Arizona. The last FDIC-insured institution closed in the state was Gold Canyon Bank, Gold Canyon, on April 5, 2013.

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